

IN THE SUPERIOR COURT OF THE STATE OF ARIZONA
IN AND FOR THE COUNTY OF COCHISE

STATE OF ARIZONA,

PLAINTIFF,

--VS-

NO. CR98000549

VERONICA DAMIANO, MICHELLE
GUTIERREZ OTT, PIO DAMIANO, JR.,
AND DOUGLAS ROBERT PACKER,

DEFENDANTS.

REPORTER'S TRANSCRIPT OF GRAND JURY PROCEEDINGS

PRESENT:

SYLVIA E. GOODWIN, ESQUIRE
ASSISTANT ATTORNEY GENERAL
FOR THE PLAINTIFF

MS. CAROLYN J. CRANFORD
COURT REPORTER

BE IT REMEMBERED THAT ON THE 18TH DAY OF
DECEMBER, 1998, THE ABOVE-ENTITLED MATTER CAME ON FOR
INVESTIGATION BEFORE THE GRAND JURY OF COCHISE COUNTY, AT
WHICH TIME THE FOLLOWING PROCEEDINGS WERE HAD.

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PROCEEDINGS

(MS. CAROLYN J. CRANFORD WAS SWORN TO
REPORT THE FOLLOWING PROCEEDINGS.)

(GRAND JURY EXHIBIT NUMBER 1 FOR THIS
GRAND JURY CASE, GJ 980575, CONSISTING OF THREE PAGES, WAS
MARKED BY THE COURT REPORTER PRIOR TO COMMENCEMENT OF
THESE PROCEEDINGS.)

MS. GOODWIN: IN AN EFFORT TO STREAMLINE
THE PROCESS, WE HAVE MADE CHARTS FOR EVERYBODY SO YOU
CAN FOLLOW ALONG. AND LET ME (INDICATING THE
DOCUMENTATION) - -

THE FOREMAN: DYKSTRA.

MRS. GOODWIN, YOU HAVE FOUR DEFENDANTS
IN THIS?

MS. GOODWIN: YES. I'LL READ THE NAMES.

THE FOREMAN: AND YOU HAVE ONE
INDICTMENT, OR YOU'RE GOING TO XEROX THIS OFF AND GIVE US
ADDITIONAL ONES OR - - IT'S NORMAL WITH ONE DEFENDANT

1 THERE'S THREE COPIES.

2 MS. GOODWIN: OKAY. I'LL MAKE COPIES
3 BEFORE I LEAVE FOR YOU. THEY DIDN'T GIVE ME ANY MORE. WE
4 WERE UNDER THE IMPRESSION, I BELIEVE, WHEN WE SENT IT DOWN
5 THAT THEY WERE GOING TO MAKE ADDITIONAL COPIES, SO - -

6 THE FOREMAN: IT'S JUST THAT WHEN I SIGN IT,
7 I'LL ONLY BE SIGNING WHATEVER YOU GIVE ME.

8 MS. GOODWIN: DO YOU WANT ME TO MAKE
9 COPIES NOW, OR CAN I TAKE IT OUT AND HAVE ONE OF THE PEOPLE
10 OUT THERE - -

11 THE FOREMAN: YES, PLEASE.

12 MS. GOODWIN: LET THE RECORD REFLECT I'M
13 LEAVING THE ROOM BRIEFLY.

14 GRAND JUROR ROOS: THE OTHER DOOR
15 (INDICATING).

16
17 (MS. GOODWIN EXCUSED HERSELF FROM THE
18 GRAND JURY CHAMBER, AND SHE SUBSEQUENTLY RETURNED.)

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20 GRAND JUROR JORDAN: ARE THERE ANY MORE
21 CHARTS?

22 THE BAILIFF: OH, I'M SORRY (INDICATING).

23 GRAND JUROR JORDAN: WE DON'T WANT TO
24 TAKE YOURS.

25 THE BAILIFF: IT'S A FAMILY AFFAIR.

1 THE CLERK: WE'LL SHARE.

2 MS. GOODWIN: DO YOU WANT TO WAIT UNTIL
3 THE INDICTMENT COMES, OR DO YOU WANT ME TO GO AHEAD?

4 THE FOREMAN: GO AHEAD AND PROCEED,
5 PLEASE.

6 MS. GOODWIN: OKAY. IT IS MY
7 UNDERSTANDING THAT THE GRAND JURY HAD NOT BEEN
8 INFORMED OF THE DEFENDANTS, THAT THEIR NAMES ARE NOT
9 REFLECTED ON INFORMATION GIVEN TO YOU, SO LET ME BEGIN BY
10 PROVIDING CERTAIN INFORMATION TO YOU.

11 THE DEFENDANTS IN THIS CASE ARE VERONICA
12 DAMIANO, MICHELLE GUTIERREZ OTT, PIO DAMIANO, JR., AND
13 DOUGLAS ROBERT PACKER.

14 THE OFFICER THAT WILL BE HANDLING THIS
15 WILL BE RENE VALENCIA.

16 I'D LIKE TO ASK THE GRAND JURY IF YOU KNOW
17 ANY OF THE DEFENDANTS IN THIS CASE.

18 GRAND JUROR LEWIS: LEWIS.

19 MS. GOODWIN: YES?

20 GRAND JUROR LEWIS: I NEED TO TELL THE
21 COURT THAT I REPORTED - - IS THIS DOUGLAS PACKER WHO WAS
22 THE C.E.O. OF SOUTHEASTERN ARIZONA FEDERAL CREDIT UNION?

23 MS. GOODWIN: THAT IS CORRECT.

24 GRAND JUROR LEWIS: I REPORTED THIS MAN TO
25 THE BANKING COMMISSION MYSELF AND TO THE AMERICAN

1 CREDIT UNION ASSOCIATION.

2 MS. GOODWIN: OKAY.

3 GRAND JUROR LEWIS: I DON'T WANT TO STEP
4 OUT ACTUALLY. I WANT TO HEAR THE FACTS OF THIS CASE AND
5 VOTE ON IT, IF I MAY.

6 MS. GOODWIN: OKAY. THE QUESTION WOULD
7 BE: WOULD YOU BE ABLE TO BE FAIR AND IMPARTIAL?

8 GRAND JUROR LEWIS: I PROMISE TO BE FAIR
9 AND IMPARTIAL, BASED ON THE FACTS PRESENTED TO ME.

10 IF YOU HAVE A PROBLEM WITH IT, I'LL LEAVE ON
11 THIS ONE.

12 MS. GOODWIN: WHAT IS OF CONCERN IS THAT
13 SINCE YOU HAVE TAKEN SOME TYPE OF ACTION REFERENCE THIS
14 INDIVIDUAL, I AM CONCERNED ABOUT THE APPEARANCE OF
15 IMPROPRIETY.

16 GRAND JUROR LEWIS: ALL RIGHT.

17 MS. GOODWIN: YOU ALSO (INDICATING A
18 GRAND JUROR)?

19 GRAND JUROR ELKINS: I WAS JUST GOING TO
20 SAY I THINK ALL OF US FROM BISBEE, TO THE EXTENT THAT I KNOW
21 DOUG PACKER FROM CITY COUNCIL AND FROM WHEN HE WAS ON
22 THE CREDIT UNION; BUT NOT AS A PERSONAL FRIEND.

23 MS. GOODWIN: DO YOU FEEL THAT - - AND I
24 DIRECT THIS TO THE BODY IN TOTAL OF YOU THAT KNOW MR.
25 PACKER - - THAT YOUR KNOWLEDGE OF MR. PACKER WOULD IN

1 ANY WAY INFLUENCE YOUR DECISION OR CAUSE YOU TO BE
2 UNABLE TO GIVE A FAIR AND IMPARTIAL DECISION?

3 GRAND JUROR ELKINS: ABSOLUTELY NOT IN MY
4 CASE.

5 MS. GOODWIN: OKAY. LET ME - -

6 THE FOREMAN: DO YOU WANT HER TO LEAVE
7 (INDICATING GRAND JUROR LEWIS)?

8 MS. GOODWIN: SHE'S GOING TO HAVE TO
9 LEAVE.

10 GRAND JUROR LEWIS: OKAY.

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13 (GRAND JUROR LAURIE O. LEWIS WAS EXCUSED
14 FROM THE GRAND JURY CHAMBER.)

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17 MS. GOODWIN: WOULD YOU LIKE ME TO READ
18 THE INDICTMENT OR - -

19 THE FOREMAN: YES, PLEASE.

20 MS. GOODWIN: OKAY. THE ABOVE-NAMED
21 DEFENDANTS, VERONICA DAMIANO, MICHELLE GUTIERREZ OTT, PIO
22 DAMIANO, JR., AND DOUGLAS ROBERT PACKER, HAVE BEEN
23 ACCUSED OF THE FOLLOWING. COUNT I: CONSPIRACY TO COMMIT
24 FRAUDULENT SCHEMES AND ARTIFICES AND DEFRAUDING
25 SECURED CREDITORS. BEGINNING ON OR ABOUT JULY, 1995, AND